##### 

TransFerm Yield+ Value Selling

Participant Workbook



### Contents

[Personal Improvement Plan 1](#_Toc414235849)

[Start – Stop – Continue 1](#_Toc414235850)

[Action Plan 2](#_Toc414235851)

[Defining Value 3](#_Toc414235852)

[What Is Value? 3](#_Toc414235853)

[Seven Key Points about Value 3](#_Toc414235854)

[The Value Equation 3](#_Toc414235855)

[Activity: Valuing a Boat 4](#_Toc414235856)

[Activity: Name That Value Driver 5](#_Toc414235857)

[Activity: Quantifying Your Value 7](#_Toc414235858)

[What Do Your Customers Value? 8](#_Toc414235859)

[Customer Value Drivers 8](#_Toc414235860)

[Activity: What Value Can You Provide? 9](#_Toc414235861)

[Three-Call Plan 11](#_Toc414235862)

[Activity: Developing a Call Opening 12](#_Toc414235863)

[Activity: Opening the Call Role Play 15](#_Toc414235864)

[Uncovering Customer Needs 16](#_Toc414235865)

[Activity: Test Your Customer Knowledge 16](#_Toc414235866)

[The Question Funnel 17](#_Toc414235867)

[Activity: Asking Questions 18](#_Toc414235868)

[Activity: Effective Questioning 20](#_Toc414235869)

[Productive Listening 22](#_Toc414235870)

[Strategies for Empathetic Listening 23](#_Toc414235871)

[Activity: Assess Your Listening Habits 24](#_Toc414235872)

[Listening Sins and Virtues 25](#_Toc414235873)

[Communicating Value and Differential Advantage 26](#_Toc414235874)

[Differentiation Strategies 26](#_Toc414235875)

[Activity: Identifying Competitive Differentiators 27](#_Toc414235876)

[FBV: Features, Benefits, and Value 28](#_Toc414235877)

[Provide Evidence 28](#_Toc414235878)

[Value Proposition 29](#_Toc414235879)

[Value Proposition Templates 29](#_Toc414235880)

[Activity: Craft a Value Proposition 30](#_Toc414235881)

[How to Present Your Value 30](#_Toc414235882)

[Activity: Define Your Sales Aids 31](#_Toc414235883)

[Overcoming Objections 32](#_Toc414235884)

[Activity: Do You Dread Objections? 32](#_Toc414235885)

[Types of Objections 33](#_Toc414235886)

[Activity: Anticipating Objections 34](#_Toc414235887)

[Process for Handling Objections 35](#_Toc414235888)

[Tips for Managing Objections 35](#_Toc414235889)

[Activity: Managing Objections 36](#_Toc414235890)

[Ask For the Business 38](#_Toc414235891)

[Process for Gaining Commitment 38](#_Toc414235892)

[Buying Signals 38](#_Toc414235893)

[Closing Techniques 40](#_Toc414235894)

[Activity: Practice Your Closing Techniques 42](#_Toc414235895)

# Personal Improvement Plan

## Start – Stop – Continue

Instructions: During the next day and a half, return to this page and keep note of ideas, tasks, and actions that you want to start doing, stop doing, or continue doing. You will review this with your manager.

|  |
| --- |
| **Start Doing…** |
|  |
| **Stop Doing…** |
|  |
| **Continue Doing…** |
|  |

## Action Plan

Instructions: Document and prioritize the most important action items that you want to implement to continue to advance the opportunity with your prospect. Be as specific and realistic as possible.

You will also discuss this action plan with your manager.

|  |  |  |  |
| --- | --- | --- | --- |
| **Priority Rank** | **Action Items** | **Complete  By Date** | **Notes and Comments** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

Additional Notes

# Defining Value

## What Is Value?

Instructions: Note what “value” means to you personally. How do you define it?

|  |  |
| --- | --- |
| Seven Key Points about Value  1. Value is perception-dependent. 2. Value is more than price. 3. Salespeople are responsible for uncovering value factors. 4. Every customer values something. 5. Value is always changing. 6. Value is a relative phenomenon. 7. The price you charge must be influenced by customer value at least as much as by cost. | The Value Equation Product  +/- Service  +/- Attitude/Image  - Price  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  = Value |

## Activity: Valuing a Boat

Instructions: Consider what different attributes each of the people in these scenarios are seeking when they go to purchase a boat for recreation. What do they value? Be prepared to discuss your thoughts with the class.

|  |  |
| --- | --- |
| **Freshwater Fisherman** | **Family Who Waterskis and Wakeboards** |
|  |  |
| **Competitive Racer** | **Cruiser** |
|  |  |

## Activity: Name That Value Driver

Instructions: Based on the product comparison data, list the tangible and intangible value drivers a customer would consider when selecting TransFerm Yield+ over other options for yeast.

|  |  |
| --- | --- |
| **TransFerm Yield+ Value Drivers** | |
| **Tangible** | **Intangible** |
|  |  |

Instructions: Brainstorm with your group to list tangible and intangible value drivers for LBDS and the Regional Sales Manager. Use this space to record the value drivers identified for each.

|  |  |
| --- | --- |
| **Tangible** | **Intangible** |
| **LBDS Value Drivers** | |
|  |  |
| **Regional Sales Manager Value Drivers** | |
|  |  |

## Activity: Quantifying Your Value

Instructions: Think of a recent sale you completed. Identify the different ways that you have personally brought value to this customer beyond supplying the product. You can use the existing activities and/or create your own to customize the list.

After you’ve created your list, consider how much time you spent on each activity. How much was that time worth? Assign a dollar value to each of these activities. Next, identify any additional activities you may perform with your prospect and assign values. When you are finished, total the Worth column.

Lastly, identify the three activities that you believe were most valued by the customer.

|  |  |  |
| --- | --- | --- |
| **Activities** | **Worth (in dollars)** | **Most Valued** |
| Answering questions | $ | 🞎 |
| Explaining the product | $ | 🞎 |
| Setting up the trial | $ | 🞎 |
| Support/contact during the trial | $ | 🞎 |
| Reviewing results | $ | 🞎 |
| Other: | $ | 🞎 |
| Other: | $ | 🞎 |
| Other: | $ | 🞎 |
| Other: | $ | 🞎 |
| Other: | $ | 🞎 |
| Other: | $ | 🞎 |
| Other w/prospect: | $ | 🞎 |
| Other w/prospect: | $ | 🞎 |
| Other w/prospect: | $ | 🞎 |
| Other w/prospect: | $ | 🞎 |
| Other w/prospect: | $ | 🞎 |
| Your personal worth: | $ |  |

# What Do Your Customers Value?

## Customer Value Drivers

Instructions: During the lecture and class discussion, note various examples of the four value drivers. You can also document specific examples of customers in your territory.

|  |  |
| --- | --- |
| **Increased Revenue** | Examples: |
| *Helps me produce more, sell more, or get more for what I produce* |

|  |  |
| --- | --- |
| **Decreased Expenses** | Examples: |
| *Help me save money* |

|  |  |
| --- | --- |
| **Reduced Complexity** | Examples: |
| *Makes my job/life more simple* |

|  |  |
| --- | --- |
| **Improved Relationships** | Examples: |
| *Make me feel appreciated and important* |

## Activity: What Value Can You Provide?

Instructions: Consider a deal that you worked on, but that you didn’t win. Brainstorm a list of the ways you tried to provide value. If you could redo this sale tomorrow, what could you do to provide additional value to this customer? How will you provide value to your prospect?

|  |  |  |  |
| --- | --- | --- | --- |
| **Value  Driver** | **How I Provided Value** | **How I Could Have Created Additional Value** | **How I Will Provide Additional Value** |
| **Increased Revenues** |  |  |  |
| **Decreased Expenses** |  |  |  |
| **Reduced Complexity** |  |  |  |
| **Improved Relationships** |  |  |  |

*Thursday, September 11, 2014*

***Pre-Trial Cost***

GA: $29.06/gal x 105 gal/ferm = $3,051.30/ferm

Yeast: $2.75/lb x 88 lb = $242/ferm

***TOTAL COST FOR YEAST AND GA/FERM = $3,293.30***

Yeast and GA cost @ 2.5 ferms/day: *$3,293.30 x 2.5 =* *$8,233.25*

Yeast and GA cost @ 353 days/year: *$8,233.25 x 353 =* ***$2,906,337.25***

Yeast and GA cost @ 3 ferms/day: *$3,293.30 x 3 =* *$9,879.90/day*

Yeast and GA cost @ 353 days/year: *$9,879.90 x 353 =* ***$3,487,604.70***

***Yield+ Cost at 45% GA Reduction*** *(multi-plant discount included)*

GA: $29.06/gal x 58 gal/ferm = $1,685.48/ferm

Yeast: $4.10/kg x 100 kg = $410/ferm

***TOTAL COST FOR TRANSFERM YEAST AND GA (45% REDUCTION)/FERM = $2,095.48***

Yeast and GA cost @ 2.5 ferms/day: *$2,095.48 x 2.5 =* *$5,238.70*

Yeast and GA cost @ 353 days/year: *$5,238.70 x 353 =* ***$1,849,261.10***

Yeast and GA cost @ 3 ferms/day: *$2,095.48 x 3 =* *$6,286.44*

Yeast and GA cost @ 353 days/year: *$6,286.44 x 353 days =* ***$2,219,113.32***

**\*\*\*YIELD+ MGT COST PER FERM = $1,250\*\*\***

***3% multi-plant discount = $1,212.50 per ferm***

MGT Yearly Cost @ 2.5 ferms/day = $3,031.25 x 353 days = ***$1,070,031.25***

MGT Yearly Cost @ 3 ferms/day = $3,637.50 x 353 days = ***$1,284,037.50***

**\*\*\*1.69% yield increase realized during the trial at $2.00/gallon ethanol = $3,644/ferm revenue increase\*\*\***

***Pre-Trial versus Yield+***

|  |  |
| --- | --- |
| **2.5 FERMS/DAY**  *(GA + yeast cost)* | **3 FERMS/DAY**  *(GA + yeast cost)* |
| Pre-Trial = $2,906,337.35/year | Pre-Trial = $3,487,604.70/year |
| Yield+ = $1,849,261.10/year | Yield+ = $2,219,113.32/year |
| *Difference =* ***$1,057,076.25 Savings Per Year*** | *Difference =* ***$1,268,491.38 Savings Per Year*** |

***Value with MGT cost included***

|  |  |
| --- | --- |
| **2.5 FERMS/DAY** | **3 FERMS/DAY** |
| MGT = $1,070,031.25/year  Increased Revenue = $3,215,830/year | MGT = $1,284,037.50/year  Increased Revenue = $3,858,996 |
| *($3,215,830 – 1,070,031.25)* | *($3,858,996 - $1,284,037.50)* |
| **= *$2,145,798.75 Value to Arkalon*** | ***= $2,574,958.50 Value to Arkalon*** |

*As illustrated above, Arkalon can potentially save $1,268,544.33 on ferm costs and achieve approximately $2,574,958.50 in increased revenue from the extra ethanol produced by Yield+. Yield+ brings an estimated value of* ***$3,843,502.83*** *to Arkalon!!!*

## Three-Call Plan

Thinking about your identified prospect, define your call objectives and desired outcomes for your next three sales calls with this prospect.

|  |  |  |  |
| --- | --- | --- | --- |
| Call | Timing | Objective | Desired Outcome |
| Call 1 |  |  |  |
| Call 2 |  |  |  |
| Call 3 |  |  |  |

## Activity: Developing a Call Opening

Instructions: Use the call objective(s) identified in the previous activity for the first call. Complete the “dialog” for each part of the opening.

|  |
| --- |
| Connect with the customer and establish rapport.   * Greet appropriate individuals in the account to find common “touch points” that establish rapport. |
| *Write several possible greetings oriented to establishing rapport with the customer.* |
| Align with customer on call objective and time allotted.   * Agree on a meaningful business agenda for the call by stating the call objective or by following-up on a previous call objective/issue/initiative. Check for alignment with the customer and time commitment. * Provide a written agenda for select customers or calls that involve multiple points for discussion. |
| *Write several “alignment” statements that include the call objective.* |
| Open business discussion with thoughtful approach.   * Open business discussion with new insights, observation, reflection on past call, or other approach that aligns with call objective. |
| *Write one or two sentences that represent how you might introduce a technical insight into the conversation.*  *Write one or two sentences that represent how you might introduce a business or economic insight.* |

## Activity: Opening the Call Role Play

Use this checklist to determine if the sales professional in the role play is exhibiting the types of behaviors necessary for a successful call opening. Provide feedback based on your observations.

|  |  |  |
| --- | --- | --- |
| Evaluation: Opening the Call | | |
| Step | **Yes** | **No** |
| Connects with the customer and establishes rapport. |  |  |
| Greets appropriate individuals in the account to find common “touch points” that establish rapport. |  |  |
| Aligns with the customer on call objective and time allotted. |  |  |
| Agrees on a meaningful business agenda for the call by stating the call objective of by following-up on a previous call objective/issue/ initiative. |  |  |
| Checks for time commitment. |  |  |
| Provides a written agenda as needed. |  |  |
| Opens the business discussion with a thoughtful approach. |  |  |
| Opens the business discussion with new insights, observations, reflections on past calls, or other approaches that align with the call objective. |  |  |
| Feedback:   1. Areas of strength: 2. Areas for improvement: | | |

# Uncovering Customer Needs

## Activity: Test Your Customer Knowledge

Instructions: Thinking about your prospect, answer the following questions.

Prospect:

What is the number one goal for their plant?

What is their gross revenue target?

What are their two biggest production challenges?

What do they like best about their current supplier?

What is one problem/disappointment they’ve had with a particular product/service from a supplier over the past two or three years?

## The Question Funnel

The funnel approach begins with background questions, moves to discovery questions and checks for importance with a confirming question.

You can move between the question types in the funnel. If you have moved to a confirming question and you get an unexpected answer or discover something new, you can always go back and ask more discovery questions to get additional information from the customer.



Background Questions

Discovery Questions

Confirming Questions

Instructions: During the lecture, document the definitions for each of the three question types.

Background Questions:

Discovery Questions:

Confirming Questions:

## Activity: Asking Questions

Instructions: Think about your prospect. When prompted by the facilitator, complete the activities for each section.

#### Background Questions

Before you call on the prospect to introduce yourself and LBDS (or to schedule the next call), what background information should you try to learn? How will you research this information?

After you’ve introduced yourself to the prospect and started to develop a relationship, what additional information would you like to learn about the plant so you can determine how you can best support their efforts?

Prepare some background questions that you should ask the prospect to uncover this information.

1.

2.

3.

#### Discovery Questions

Prepare at least three discovery questions that you could ask to uncover the prospect’s needs.

1.

2.

3.

#### Confirming Questions

Prepare at least three confirming questions that you could ask to clarify the prospect’s needs.

1.

2.

3.

## Activity: Effective Questioning

#### Step 1. Document Prospect Challenges

Instructions: Consider the identified prospect. Document five of the prospect’s business challenges (e.g. limited funds to implement a new higher cost solution).

Contact’s First Name:

Challenge #1:

Challenge #2:

Challenge #3:

Challenge #4:

Challenge #5:

#### Step 2. Role Play – Observer Notes

Instructions: Note the types of questions asked and how many of each type are used. Also document the most effective question that you heard the salesperson ask.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Background  Question** | **Discovery  Question** | **Confirming Question** |  | **Open-Ended Question** | **Closed-Ended Question** |
|  |  |  |  |  |  |

Most effective question asked

Feedback for salesperson

#### Step 3. Document the Best Questions

Instructions: As a team, make a list of the three to five best questions that came out of your role play exercise.

# Productive Listening

Listening is just as important as questioning ⎯ perhaps more so. You should listen for facts, feelings, and non-verbal cues.

Researchers who study listening have found that most of us rarely listen in a focused way for more than 15 seconds ... after that we begin thinking of what we will say to respond, or of our next question, or of something entirely unrelated.

While poor listening may be impolite in everyday life, in customer relationships it can be fatal.

#### Listen for the Facts:

* Listen *actively*: take notes, ask questions, test examples to make sure you understand.
* Be prepared: know what you’re listening for and use prospect comments to guide the discussion to results and solutions you can offer.
* Remember, you and your business will be judged against the standards this customer is explaining right now.

#### Listen for the Feelings

“Feelings” are just as important as facts in a purchase. In study after study, producers and dealers say that *trust* is a prerequisite for doing business. All the high-tech products and services we invent will not replace this fundamental human relationship.

Sometimes, sales reps are worried or upset by feelings. They try to avoid any discussion or situation where customer emotion runs high. This is a mistake. While no professional salesperson *incites* an emotional reaction in a customer, strong emotions should be recognized and brought to the surface. For instance, a negative experience with your business or another business sometime in the past is better talked about ⎯ even if a little anger over perceived past injustices remains. Why? Because you can’t fix a misunderstanding or hurt feelings until you know they’re there.

By the same token, positive feelings are also very important. When a prospect is excited about the potential results of working with you, they may:

* Talk faster or more
* Share more personal information
* Share more about their goals, hopes, dreams, and fears
* Have a more relaxed posture (seated, feet up, “open” arms)
* Offer you something to eat or drink

#### Listen for “Non-Verbal” Cues

What do we communicate to one another through our posture and gestures? Use your knowledge and experience of human nature to make your prospect more comfortable and to sense when more explanation (or less talk) would be appropriate. For example:

* Leaning away is a sign of discomfort ⎯ a literal “distancing” from the topic.
* Leaning forward is a sign of commitment and involvement.
* Crossed arms may indicate defensiveness or skepticism.

## Strategies for Empathetic Listening

To develop your listening skills and progress through each level of listening, there are certain strategies that you can follow.

#### Strategy 1: Define Your Objective.

When it comes to listening, an objective will help you know why you should listen and will help you to focus your thoughts and energy on the customer.

To define an objective for your conversation with a customer:

* Review your customer’s goals and recent purchases.
* Gauge their overall level of satisfaction.
* Review your notes and takeaways from past conversations.

#### Strategy 2: Focus on the Customer

Focusing on the customer will ensure that your mind does not wander and hear what the customer is saying. This helps the customer to feel comfortable and share additional thoughts and feelings with you.

To focus on the customer:

* Avoid distractions and multitasking.
* Listen for facts and feelings.
* Watch for nonverbal cues.
* Take notes on what the customer is saying so you can follow up.

#### Strategy 3: Process the Message

Processing the message helps you to understand customer’s unique situation and consider what the customer is not saying, so you can determine the best way to support the customer’s needs.

To process the message:

* Give appropriate verbal and nonverbal cues.
* Listen to what the customer is saying and play it back to them.
* Ask follow-up questions for additional insight.

#### Strategy 4: Respond with Empathy

Responding with empathy will help you to open up to the customer and develop a higher level of trust and partnership with the customer.

To respond with empathy:

* Reflect emotion. Acknowledge all signs of emotion from the customer.
* Share your feelings and experiences so the customer knows you can relate.
* Summarize or restate to confirm your understanding. This helps to process what the customer has been saying and link it together into a summary of your conversation.

## Activity: Assess Your Listening Habits

Instructions: Review each habit and check the appropriate box to rate how often you exhibit it.

Rating Scale: 1 = Always, 2 = Frequently, 3 = Sometimes, 4 = Rarely, 5 = Never

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Listening Habits** | **1** | **2** | **3** | **4** | **5** |
| 1. I listen by conscientiously, focusing my thoughts on the person who is speaking and what they are saying, and commit myself to really listen. | 🞎 | 🞎 | 🞎 | 🞎 | 🞎 |
| 1. I begin asking questions about what I heard before letting the other person know what I heard or understood. | 🞎 | 🞎 | 🞎 | 🞎 | 🞎 |
| 1. I listen to the person by watching eyes, face, body posture, movement, and listening to other voice cues. | 🞎 | 🞎 | 🞎 | 🞎 | 🞎 |
| 1. I analyze and try to interpret for myself what the other person is saying rather than asking for clarification of what I thought I heard or understood him to say. | 🞎 | 🞎 | 🞎 | 🞎 | 🞎 |
| 1. I listen for what is not being said as well as for what is being said. | 🞎 | 🞎 | 🞎 | 🞎 | 🞎 |
| 1. I think about other things or daydream while listening to the person. | 🞎 | 🞎 | 🞎 | 🞎 | 🞎 |
| 1. I show in a physical way that I am listening and interested, and I try to help the other person feel comfortable in sharing with me. | 🞎 | 🞎 | 🞎 | 🞎 | 🞎 |
| 1. I often act like I am listening even when I am not, especially when I am busy or feel I already know what the person is going to say. | 🞎 | 🞎 | 🞎 | 🞎 | 🞎 |
| 1. I am aware of the listening or non-listening cues I am giving to the other person such as facial, body, and vocal cues. | 🞎 | 🞎 | 🞎 | 🞎 | 🞎 |
| 1. I listen for particular words, phrases, or detail, more than I listen for the overall ideas of the person to whom I am listening. | 🞎 | 🞎 | 🞎 | 🞎 | 🞎 |
| 1. I use mirror responses to feed back to the person specific words or phrases he has used that I need clarified. | 🞎 | 🞎 | 🞎 | 🞎 | 🞎 |
| 1. I interrupt with my own personal “I’ve been there” story by making comments such as “I know just what you mean” or “That’s happened to me, too,” and then go on to tell my story before letting the other person finish, or before letting them know that I heard and understood what they were saying, feeling, etc. | 🞎 | 🞎 | 🞎 | 🞎 | 🞎 |
| 1. I paraphrase or summarize what I heard the other person saying before giving my own personal feeling or point of view. | 🞎 | 🞎 | 🞎 | 🞎 | 🞎 |
| 1. I think of what I am going to say next before the person has finished speaking. | 🞎 | 🞎 | 🞎 | 🞎 | 🞎 |
| 1. I consistently ask for feedback to verify my perception of the other person’s message. | 🞎 | 🞎 | 🞎 | 🞎 | 🞎 |
| 1. I am easily distracted by noises or the speaker’s manner of delivery. | 🞎 | 🞎 | 🞎 | 🞎 | 🞎 |

Mark a few habits that you would like to change. What will you do to improve? Document your thoughts in your Personal Improvement Plan.

# Listening Sins and Virtues

|  |  |
| --- | --- |
| Listening Sins  * Making evaluative judgments * Multitasking * Interrupting in the middle of a sentence  or story * Failing to clarify meaning | Listening Virtues  * Maintaining eye contact * Encouraging the speaker with body language * Asking questions and reflecting the speaker’s message to reinforce understanding * Being honest about times when it is hard to really listen |

# Communicating Value and Differential Advantage

## Differentiation Strategies

You can’t communicate your differential advantage until you define what differentiates you from your competitors. There are six differentiation strategies you might employ. During the lecture, note examples that will help you remember each one.

|  |  |
| --- | --- |
| **Product Differentiation** | Examples: |

|  |  |
| --- | --- |
| **Service Differentiation** | Examples: |

|  |  |
| --- | --- |
| **Personnel Differentiation** | Examples: |

|  |  |
| --- | --- |
| **Channel Differentiation** | Examples: |

|  |  |
| --- | --- |
| **Image Differentiation** | Examples: |

|  |  |
| --- | --- |
| **Price Differentiation** | Examples: |

## Activity: Identifying Competitive Differentiators

Instructions: Work in teams to brainstorm what differentiates LBDS. Individually, think about how you are differentiated by the service you provide and image you project. Use the space below to document your ideas.

|  |  |  |
| --- | --- | --- |
| **Strategy** | **What Differentiates LBDS?** | **What Differentiates Me?** |
| **Product** |  |  |
| **Service** |  |  |
| **Personnel** |  |  |
| **Channel** |  |  |
| **Image** |  |  |
| **Price** |  |  |

## FBV: Features, Benefits, and Value

Instructions: During the lecture and class discussion, note various examples of FBV. You can also document specific examples of customers in your territory.

|  |  |
| --- | --- |
| **Features**  ***What It Is*** | Notes: |
| A feature is a physical characteristic or fact that helps to describe the product or service. |

|  |  |
| --- | --- |
| **Benefits**  ***What It Does*** | Notes: |
| A benefit is how the feature helps to solve customer problems*.* |

|  |  |
| --- | --- |
| **Value**  ***What Is In It For Me*** | Notes: |
| Value refers to what the solution will do for the customer. |

## Provide Evidence

Different customers find different types of proof credible. For some, “proof” means seeing it through a trial or talking to someone who is using the product. In this case, the best evidence you can provide is a testimonial.

Other customers will prefer third party or “objective” tests, such as:

|  |  |
| --- | --- |
| * Product trials * Trial review | * Value analysis * Calculations of projected cost/benefit |

The evidence which is most powerful depends on the listener. As you ask questions to determine needs and values, identifying valued sources of information should be one of your question areas.

## Value Proposition

A value proposition is a business statement that summarizes why a customer should buy your solution. Use it to convince your customers that your solution provides more value by solving their problems better than another option. You can craft one for a solution, yourself, and LBDS.

Tips for creating a value proposition:

* Be concise
* Focus on your customer’s strongest value drivers
* Customize it for the situation

## Value Proposition Templates

#### Basic

Because of (***feature***) you will be able to (***advantage***) which means (***results/value***).

#### Business Initiative

You will be able to (***business initiative***), resulting in (***a specific or measurable outcome***) by using (***this solution***).

We delivered similar results at *(****similar situation or customer****)* which resulted in (***past value delivered***).

#### Customer Change

By changing from (***current situation***) to (***our solution***), you will impact (***business drivers***), which means (***specific or measureable outcome***).

#### Compelling Customer Event

We can help you address (***compelling event)*** by using (***solution)***, which will result in (***specific or measurable outcome***).

We will ensure your return on investment by (***shared risk/reward strategy***).

#### Terminology

* **Business Initiative** – The specific call to action that a business wants to make.
* **Compelling Event** – A business initiative or set of business drivers spelling out a specific change that must take place in the customer’s business by a certain date.
* **Past value delivered** – You will need to provide specific customer success references that will support your solution and LBDS.
* **Shared risk/reward** – What you are willing to put in the game because you believe the outcome will outweigh the investment of time, money, and personnel.
* **Similar situation or customer** – You must be able to outline a similar situation or other customers who have deployed this solution and had a successful experience.

## Activity: Craft a Value Proposition

Instructions: Individually two value propositions for a current prospect. Create one for a solution and one for you. You can use one of the templates or create your own. When you are done, review and refine the proposition with your team. As a group, select the most compelling proposition and share it with the class. Explain why you selected it.

Prospect Situation:

Solution (planned):

Solution Value Proposition:

## How to Present Your Value

When the prospect…

|  |  |
| --- | --- |
| …is ready to buy: | * Review two to three of the strongest benefits * Use positive language |
| …is undecided or unsure: | * Start and end with a strong value statement * Talk results – be specific * Get agreement as you go * “Trial close” to get at resistance |
| …needs more information or proof: | * Use testimonials * Refer to professionally developed selling aids * Provide leave-behind information |

## Activity: Define Your Sales Aids

Instructions: Define two to three selling aids for each for the ways that customers process information.

|  |  |
| --- | --- |
| **How Customers Process Information** | **Selling Aids** |
| **Observation**   * *See it work* * *Show me* |  |
| **Experimentation**   * *Try it out myself* * *Talk to others using the product* |  |
| **Feeling**   * *Information isn’t that important, you are* |  |
| **Analysis**   * *Facts* * *Figures* * *Specification* |  |

Which of these sales aids could you use with your prospect?

# Overcoming Objections

## Activity: Do You Dread Objections?

Instructions: Brainstorm the pros and cons of hearing objections from potential customers during the sales process. Consider these questions:

|  |  |
| --- | --- |
| What do you dislike  about handling objections? | What are the benefits  of hearing objections? |

## Types of Objections

Objections show that your customer is evaluating your solution and the benefits that you   
have shared.

|  |  |
| --- | --- |
| **True Objections** | True objections reveal:   * A misunderstanding about the value of a product benefit * A lack of information or misinformation * A willingness to buy |
| **Questions** | A question or a request for information reveals:   * Confusion on the part of the customer * A need for clarity, more information * A desire to have the selling point explained again * A willingness to buy |
| **Excuses** | Excuses are typically used to cover up objections. They reveal:   * An unwillingness to share the true objection * An unwillingness to make a decision now * An unwillingness to buy |

## Activity: Anticipating Objections

Instructions: List four objections that you anticipate from your current prospect and then brainstorm potential responses to these objections.

Objection #1:

Potential Response:

Objection #2:

Potential Response:

Objection #3:

Potential Response:

Objection #4:

Potential Response:

## Process for Handling Objections

|  |  |
| --- | --- |
| **Step 1: Listen** | Avoid the urge to interrupt and listen on three levels:   * Listen for what the person is saying. * Listen for how the person is saying it. * Listen for what the person is not saying. |
| **Step 2: Restate** | Put the objection into your own words, and paraphrase it back to the customer.   * It shows you’re listening. * It may help you avoid handling the wrong objection. * It gives you additional time to think. |
| **Step 3: Question for Understanding** | Ask any additional clarifying or confirming questions in order to make sure you completely understand the objection.  Consider using these two tests for determining if you have identified the real and only objection:   * “Suppose\_\_\_\_\_\_\_ was not an issue. Would you be ready to buy?” * “Is there any other reason that would prevent you from purchasing \_\_\_\_\_\_\_\_\_ today?” |
| **Step 4: Address the Objection** | * Accept blame for misunderstanding (“I didn’t explain that  well ...”) * Help them save face (“Many people ask that ...”) * Blame it on the situation (“We sure have had some tough harvesting conditions, haven’t we?”) * Anticipate and answer common objections (“If you’re like most people, you’re probably wondering ...”) |

## Tips for Managing Objections

* Avoid arguments. Even if you win, you lose.
* Handle most objections when they arise, but wait to handle objections about price until you have shown and discussed value.
* Turn objections into selling points.
* Discover the reasons behind the objection.
* Convert the objection into a question.
* Avoid disparaging the competition.

## Activity: Managing Objections

#### Part 1: Identify Situation-Specific Objections

Instructions: Review your list of the top four objections that you anticipate from your prospect and choose two that you think are the most challenging. Modify your potential responses to these two objections, incorporating the process and tips.

Business Problem:

Proposed Solution:

Objection #1:

Response:

Objection #2:

Response:

#### Part 2: Practice Handling Objections

Instructions: Share these objections with your team. Your team will play the role of the potential customer while you respond to the objection.

Document which responses worked best and be prepared to share them with the class. As people are sharing their best responses, you may want to note them for future use.

# Ask For the Business

## Process for Gaining Commitment

|  |  |
| --- | --- |
| **Step** | **Example** |
| 1. Review prior agreed upon needs/problems. | “Earlier you stated that…” |
| 1. Describe the solution, starting with features. | “I would like to recommend…” |
| 1. Explain how each feature will solve a problem discovered earlier (the advantage). | “You will be able to…” |
| 1. Describe the benefits that appeal to the customer, based on earlier parts of the discussion. | “As a result…” |
| 1. Ask a reaction question to gain agreement. | * “How do you see this working in your situation?” * “In what ways would this be helpful to you?” |
| 1. Wait for a response and don’t fill up the silence. | Allow the customer to think though his/her options and offer your genuine feedback. |

## Buying Signals

There are a number of clues to watch for that help you to determine when a customer is ready to buy your solution:

* The customer agrees on a key benefit or on the resolution to an objection you have handled.
* The customer asks about financing, delivery, warranty, trade-in opportunities, or parts and service.
* The customer talks openly or provides confidential information.
* You hear questions from the customer that show s/he is imagining the benefits you’ve been discussing.
* The customer displays enthusiasm.

Buying signals can also be nonverbal. Watch for these nonverbal signals displayed in:

* Facial expressions
* Body posture
* Arms and hands
* Legs

For additional information, review the following lists of nonverbal behavior cues.

|  |  |  |
| --- | --- | --- |
| **Nonverbal Behavior Cues** | | **Buying Signal** |
| **Body Posture** | Sits upright, leans toward you | Positive |
| Leans back | Negative |
| **Face** | Avoids eye contact | Negative |
| Looks past you | Negative |
| Makes frequent eye contact | Positive |
| Smiles | Positive |
| Allows lips to be relaxed, open | Positive |
| **Arms and Hands** | Folds hands | Defensive |
| Presses fingertips together | Lecturing |
| Shuffles papers on the desk | Negative |
| Makes fists | Defensive, angry |
| Holds arms relaxed and open | Positive |
| Holds palms of hands toward you | Positive |
| Rests chin on hands | Positive |
| Handles, studies your materials | Positive |
| Rubs hands together | Positive |
| Puts finger to lips | Thinking it over, careful |
| Makes calculations | Positive |
| **Legs** | Up on the desk | Arrogance |
| Uncrossed | Positive |
| Crossed facing you | Positive |

## Closing Techniques

There is no one best method of closing a sale - the right method depends on a variety of factors, such as:

* The type of customer
* The skills of the seller
* The degree of competition
* The size of the purchase
* Your relationship with the buyer
* Your comfort with each technique

There are many different ways to close the sale. Some of the most effective ways are to:

* Assume the customer has said “yes” already
* Give the customer a choice between two options
* Weigh the pros and cons of the purchase
* Simply ask for the business

You should also use a trial close during the sales process to evaluate your customer’s readiness to make a purchase, find out if there is competition, and identify potential sales barriers. A trial close enables you to ask for commitment indirectly.

|  |  |
| --- | --- |
| **Assume Close**  Assumes that the customer is going to buy. | Examples of an Assume Close:   * Dramatic: “*When you start the trial you’re going to be amazed at your improved efficiency.”* * Action: *Say nothing – begin filling out paperwork or finalizing contract arrangements.* * Command: *“You’ll want this trial to start next week.”* * Open-Ended Question: “*It appears TransFerm Yield+ will meet your needs. When would you like to start the trial?”* * Simple: *“Ok, then. I’ll go get the financing papers and we can take a look at them.”* |
| Use the approach when the customer is:   * Excited about the product * Comfortable working with you * A long-time customer * Sending strong buying signals |

|  |  |
| --- | --- |
| **Choice Close**  Gives the customer choices that lead to accepting an offer. | Example of a Choice Close:   * *Would you like to start the trial in two months…or* *at the beginning of the next quarter?* |
| Use the approach when the customer needs to:   * Feel in control * Feel you’re “going the extra mile” * Understand how much value to place on product features |

|  |  |
| --- | --- |
| **Summary-Weigh Close**  Summarizes the pros and cons  of the purchase. | Process for using a Summary-Weigh Close:   1. List the customer’s concerns. 2. List the customer’s needs. 3. List or review the positive benefits. 4. Ask if there are other issues. 5. Ask for the sale. |
| Use the approach when the customer wants to:   * Make major purchases * Acquire new customers |

|  |  |
| --- | --- |
| **Straightforward Close**  Simply ask for the business. | Example of a Straightforward Close:   * *“Bob, it seems like you have an interest in this solution. May I go ahead and place the order for TransFerm Yield+?”* |
| Use the approach when positive nonverbal and verbal buying signals exist. |

## Activity: Practice Your Closing Techniques

#### Part 1: Craft Your Close

Instructions: Select one of the prospects that you are currently working with and develop your close. Use each of the techniques.

Prospect Situation:

Proposed Solution:

#### Assume Close

I can “assume” the sale is closed by:

#### Choice Close

I can give this prospect a choice between:

and

and

and

#### Straightforward Close

I’ll ask for the business by saying:

#### Summary-Weigh Close

Prospect Concerns Prospect Benefits

#### Part 2: Select and Practice Your Technique

Instructions: When you are finished, review your work and select the technique that you think will be the most effective.

Why did you select this technique? List your reasons.

Now partner with another person and practice the closing technique(s) that you selected. After you have tried it, use the following space to make any revision or notes to prepare it for use with your actual prospect.